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April 24, 2015

Mr. Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

VIA EMAIL TO: regcomments@ncua.gov

Dear Mr. Poliquin:

Thank you for the opportunity to comment on the amended Risk-Based Capital proposal. This revised version is substantially improved from the original but still contains unwarranted and uneconomic provisions.

Loan Risk Weights

I continue to be amazed the NCUA fails to recognize the potential detriment to members and credit union profitability by proposing tier-based risk-weightings. Clearly this puts credit unions at an economic disadvantage versus banks and will ultimately drive profitable members away from credit unions. The NCUA has failed to support their position with any substantive data. I am left to believe the NCUA believes credit unions have inferior risk management knowledge as compared to banks and we must be protected from ourselves. I would suggest conforming all risk weights to those of FDIC-insured institutions.

Interest Rate Risk

The NCUA has asked for comments on alternative approaches to managing and supervising interest rate risk. The NCUA already has interest rate risk and liquidity rules in place. Those rules are more than sufficient to handle the vast majority of cases. Credit unions with insufficient controls and processes can be handled on a case-by-case basis through the regular examination process.

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Supplemental Capital

I would continue to encourage the NCUA to support the inclusion of supplemental capital to help well-managed credit unions meet the new risk-based capital requirements.

Thank you again for the opportunity to provide comments on the proposed risk-based capital rule.

Best regards,

A handwritten signature in black ink, appearing to read "Russell E. Rosendal", with a long horizontal flourish extending to the right.

Russell E. Rosendal
President and Chief
Executive Officer
Salal Credit Union